



USAID | PHILIPPINES

FROM THE AMERICAN PEOPLE

Activities in Mindanao

Mindanao and the Sulu archipelago comprise about one-third of the Philippines' territory and one-quarter of the country's total population of 87 million. It has the highest levels of poverty in the Philippines, partly because of the longstanding conflict between the Government of the Republic of the Philippines (GRP) and separatist groups within the Muslim population, which numbers over four million.

After years of negotiations, one of the two main separatist groups, the Moro National Liberation Front (MNLF), signed a Peace Agreement with the GRP in 1996. USAID responded immediately with livelihood training, infrastructure development, and other economic incentives to facilitate the reintegration of former MNLF combatants.

As economic growth in Mindanao has accelerated in recent years, negotiations between the primary remaining Muslim separatist group, the Moro Islamic Liberation Front (MILF), and the GRP have intensified. In 2006, USAID is preparing for the likelihood of an increased assistance package to Mindanao in the event that the GRP and the MILF reach a comprehensive final peace agreement. USAID is ready to support the consolidation of the peace process by quickly responding to the opportunity provided by such a GRP-MILF agreement.

USAID directs 60% of its total assistance towards Mindanao, focusing on the following areas:

Former Combatant Reintegration – Helping communities in conflict-affected areas of Mindanao to rebuild a peaceful economy by providing former combatants the production inputs, training, and marketing assistance needed to become small-scale commercial farmers.

Business Climate and Economic Growth – Promoting economic growth that provides business opportunities for as many individuals as possible by supporting producers associations and chambers of commerce. USAID is developing needed basic infrastructure, such as ports and bridges, and assisting rural banks to profitably provide loans and deposit services to microenterprises.

Local Governance – Partnering with local officials to combat corruption by focusing on transparency and accountability in public administration processes at the local level.

Environmental Management and Enforcement – Assisting local governments in Mindanao to effectively manage natural resources, improve urban environmental management, and use renewable energy supplied through public-private partnerships.

Family Planning and Health – Working with Muslim Religious Leaders and local governments to improve the delivery of family planning and health services, including the prevention of infectious diseases such as HIV/AIDS and TB.

Education – Increasing access to quality education and livelihood skills in areas most affected by conflict and poverty and improving the quality of instruction—particularly in math, science, and English. USAID also provides vocational training opportunities for out-of-school youth.



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Highlights of Assistance in Mindanao

(As of August 2006)

Between 2001-2005, USAID provided approximately \$220 million to reinforce Philippine Government efforts to secure a lasting peace and build a better life for the people of Mindanao.

COMMUNITY INFRASTRUCTURE

- ✓ More than 558 small infrastructure projects (\$50,000 or less) and almost 20 larger ones (\$50,000 to \$1,000,000) constructed or underway in conflict-affected areas, benefiting nearly two million people.
- ✓ Over 6,500 households in 227 remote communities equipped with solar-powered, renewable energy systems (in partnership with the private sector).



ECONOMIC OPPORTUNITIES

- ✓ More than 28,000 former MNLF combatants earning incomes from corn, rice, or seaweed production, including 6,500 trained to produce high value crops such as finfish.
- ✓ 292 rural bank units providing microfinance services profitably, lending to 290,000 clients, of which 82% are women.
- ✓ 176 credit cooperatives serving 662,000 members, of which over 75% are women.



HEALTH AND EDUCATION

- ✓ 216 local governments providing quality health services for family planning, TB diagnosis and treatment, and maternal & child health.
- ✓ 330 schools in conflict-affected areas introduced to computer and internet education, benefiting nearly 320,000 students and 9,000 teachers.
- ✓ 7,400 out-of-school youths completed courses for elementary and high school accreditation or placement within the formal education system.



GOVERNANCE

- ✓ 52 local governments using sound environmental practices to manage forests, coastal and fisheries resources, and solid waste.
- ✓ 742 barangays (villages) promoting community peace and developing skills for alternative dispute resolution.



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